



DELEGATION OF AUTHORITIES POLICY

Purpose and Scope

The purpose of this policy is to assist the Board of Directors and management to understand the powers each party has within the Company. The objectives of the Delegation of Authority Policy are:

1. To identify matters reserved for determination by the Board
2. To identify those matters delegated to management

Responsibilities

The Board of Directors are to control and maintain the policy. This will be achieved utilising the Company Secretary to appropriately relay the policy and any changes to the policy to management of the Company.

Policy Details

Matters reserved for the Board

The matters specifically reserved for the Board under the Delegation of Authority Policy include decisions about Company strategy and policies, as well as matters involving amounts over specified limits (attached to this policy). The board in conjunction with the remuneration committee has authority for succession planning and remuneration for all staff. The Board also reserves itself all matters with the potential to have a material impact on the reputation and financial solvency of the Company.

Delegation to management

Other than expressly provided in this policy, all matters not specifically reserved for the Board and necessary for the day to day management of the Company, and the implementation of strategic objectives, are delegated to management. Executive management can sub-delegate authority where appropriate but must advise and seek Board approval before sub-delegation occurs.

Reporting to the Board

As part of the framework set up by the Delegation of Authority Policy, management is required to report regularly to the Board concerning the authority exercised and matters which come, or may come within, the scope of the matters reserved for the Board. Any report will cover a range of matters including but not limited to sub-delegations, litigation activity, financial performance, risk management and safety issues. All written complaints whether from members, staff or other stakeholders must be tabled at the board meeting following receipt of such complaints.

Execution of Contracts

- a. Major contracts in excess of \$30 000 per annum that have been approved at board meeting level and recorded as such in the minutes, may be executed by the Manager and Company Secretary unless the contract expressly requires execution by Director/s.
- b. Minor contracts of \$30000 or less per annum that are required in the normal operation of the business may be executed by the Manager and Company Secretary without gaining prior board approval provided such contracts fall within the parameters of the approved budget. The execution of any combination of two or more contracts for the purpose of procuring an item or service which has a value in excess of \$30 000, is strictly prohibited. Execution of all minor contracts must be reported at the next Board meeting.

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Management Employee	Delegation being Authorised	Limit of Delegation
CREDIT CARDS		
Manager	Business Purchases	\$8,000 (No Cash Withdrawals)
Commercial Manager/ Company Secretary	Business Purchases	\$5,000 (No Cash Withdrawals)
Extension Agronomist	Business Purchases	\$2,000 (No Cash Withdrawals)
Extension Officer (BMP)	Business Purchases	\$2000 (No Cash Withdrawals)
APPROVED BUSINESS EXPENDITURE		
All Employees	Expenditure	All goods and services purchased must be accompanied by a purchase order to validate the purchase. The Manager and Commercial Manager are the only persons authorised to issue a purchase order. (Fuel and Seedcane Cartage do not require purchase orders). Upper Limits (\$5,000) will be placed on accounts with main suppliers.
APPROVED CAPITAL EXPENDITURE		
Manager	Motor Vehicles	Up to a maximum \$30,000 changeover in accordance with the motor vehicle policy
Manager	Plant & Equipment, Fixtures & Fittings, Computer Equipment and Other Small Assets	Up to a maximum of \$8,000 for any one purchase
Management Employee	Delegation being Authorised	Limit of Delegation



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BANKING AUTHORISATIONS		
<p>Directors</p> <p>Cheque signatories currently – CJ Hesp, LW Danello, BG Davies</p> <p>Online Banking signatory currently – LW Danello, CJ Hesp, BG Davies</p>	<p>Online and Cheques</p> <p>Supplier Payments/Wages Payments/Funds Transfers/Inter Bank Transfers/Cheque Payments</p>	<p>Authorised for all amount necessary to maintain operations and financial viability. Will require countersigning of another authorised person</p>
<p>Manager – RJ Milla</p>	<p>Online and Cheques</p> <p>Supplier Payments/Wages Payments/Funds Transfers/Inter Bank Transfers/Cheque Payments</p>	<p>Authorised for all amounts necessary to maintain day to day operations. Will require countersigning of another authorised person</p>
<p>Commercial Manager – ME Rickards</p>	<p>Online and Cheques</p> <p>Supplier Payments/Wages Payments/Funds Transfers/Inter Bank Transfers</p> <p>Online Banking Administrator</p>	<p>Cheques limited to \$150 for petty cash only- to be countersigned by another authorised signatory.</p> <p>Online limited to importing and entering payment runs/transfers. Where other approved online banking signatories are not available then authorised to countersign only after other approved banking signatory has signed first and the payment is critical to the business</p>
<p>Admin Secretary – M Pirrone</p>	<p>Online and Cheques</p> <p>Supplier Payments/Wages Payments/Funds Transfers/Inter Bank Transfers</p>	<p>Cheques limited to \$150 for petty cash only- to be countersigned by another authorised signatory.</p> <p>Online limited to importing and entering payment runs/transfers.</p>



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Approved by the board of Burdekin Productivity Services Ltd. on 14th June, 2016.

Signed: CJ Hesp (Board Chairman)

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